
LOUISIANA SHERIFFS' RISK MANAGEMENT PROGRAM

FINANCIAL STATEMENTS

AUGUST 31, 2014



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ACCOUNTANTS' COMPILATION REPORT

Board of Managers
Louisiana Sheriffs' Risk Management Program
Baton Rouge, Louisiana

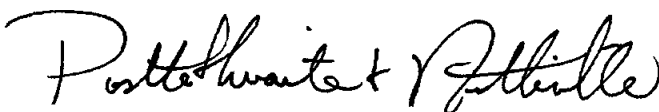
We have compiled the accompanying statements of net position of Louisiana Sheriffs' Risk Management Program (a quasi-public organization) (the Program) as of August 31, 2014 and 2013, and the related statements of revenues, expenses and changes in net position, and cash flows for the years then ended, which collectively comprise the Program's basic financial statements as listed in the table of contents. We have not audited or reviewed the accompanying basic financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with accounting principles generally accepted in the United States of America.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the compilation in accordance with *Statements on Standards for Accounting and Review Services* issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

Management has elected to omit substantially all of the disclosures required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Program's financial position, results of operations, and cash flows. Accordingly, these financial statements are not designed for those who are not informed about such matters. Management has also not presented the management's discussion and analysis information that the Governmental Accounting Standards Board has determined is required to supplement, although not required to be a part of, the basic financial statements.

The accompanying financial statements have been prepared assuming that the Program will continue as a going concern. The Program has limited net assets and no sources of revenues which raise substantial doubt about the Program's ability to meet its obligations and to continue as a going concern. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.



Baton Rouge, Louisiana
December 1, 2014

LOUISIANA SHERIFFS' RISK MANAGEMENT PROGRAM

STATEMENTS OF NET POSITION

AUGUST 31, 2014 AND 2013

(SEE ACCOUNTANTS' COMPILATION REPORT)

ASSETS AND DEFERRED OUTFLOWS OF RESOURCES

	<u>2014</u>	<u>2013</u>
Assets:		
Cash	<u>\$ 98,448</u>	<u>\$ 98,778</u>
Deferred outflows of resources	<u>-</u>	<u>-</u>
Total assets and deferred outflows of resources	<u>\$ 98,448</u>	<u>\$ 98,778</u>

LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION

Liabilities:		
Liability for unpaid claims	<u>\$ 47,000</u>	<u>\$ 48,000</u>
Deferred inflows of resources	<u>-</u>	<u>-</u>
Net position	<u>51,448</u>	<u>50,778</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 98,448</u>	<u>\$ 98,778</u>

LOUISIANA SHERIFFS' RISK MANAGEMENT PROGRAM

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

YEARS ENDED AUGUST 31, 2014 AND 2013

(SEE ACCOUNTANTS' COMPILATION REPORT)

	<u>2014</u>	<u>2013</u>
<u>REVENUES</u>	<u>\$ -</u>	<u>\$ -</u>
<u>EXPENSES</u>		
Claims expense	<u>(662)</u>	<u>(41,857)</u>
Total operating expenses	<u>(662)</u>	<u>(41,857)</u>
<u>OPERATING INCOME</u>	<u>662</u>	<u>41,857</u>
<u>NON-OPERATING INCOME</u>		
Investment income - net	<u>8</u>	<u>8</u>
Total non-operating income	<u>8</u>	<u>8</u>
<u>CHANGE IN NET POSITION</u>	<u>670</u>	<u>41,865</u>
<u>NET POSITION - BEGINNING OF YEAR</u>	<u>50,778</u>	<u>8,913</u>
<u>NET POSITION - END OF YEAR</u>	<u>\$ 51,448</u>	<u>\$ 50,778</u>

LOUISIANA SHERIFFS' RISK MANAGEMENT PROGRAM

STATEMENTS OF CASH FLOWS
YEARS ENDED AUGUST 31, 2014 AND 2013
(SEE ACCOUNTANTS' COMPILATION REPORT)

	<u>2014</u>	<u>2013</u>
<u>CASH FLOWS FROM OPERATING ACTIVITIES:</u>		
<u>Cash paid for:</u>		
Claims expenses	\$ (338)	\$ (143)
Net cash used in operating activities	<u>(338)</u>	<u>(143)</u>
<u>CASH FLOWS FROM INVESTMENT ACTIVITIES:</u>		
Investment income received	<u>8</u>	<u>8</u>
Net cash provided by investing activities	<u>8</u>	<u>8</u>
<u>NET CHANGE IN CASH</u>	(330)	(135)
<u>CASH, BEGINNING OF YEAR</u>	<u>98,778</u>	<u>98,913</u>
<u>CASH, END OF YEAR</u>	<u>\$ 98,448</u>	<u>\$ 98,778</u>
Reconciliation of change in net assets to net cash used in operating activities:		
Change in net assets	\$ 670	\$ 41,865
Investment income received	<u>(8)</u>	<u>(8)</u>
Operating income	662	41,857
Adjustments to reconcile operating income to net cash used in operating activities:		
Change in unpaid claims liability	<u>(1,000)</u>	<u>(42,000)</u>
Net cash used in operating activities	<u>\$ (338)</u>	<u>\$ (143)</u>

LOUISIANA SHERIFFS' RISK MANAGEMENT PROGRAM

SELECTED INFORMATION

SUBSTANTIALLY ALL DISCLOSURES REQUIRED BY GENERALLY ACCEPTED ACCOUNTING PRINCIPLES ARE NOT INCLUDED

LIABILITY FOR UNPAID CLAIMS

The Louisiana Sheriffs' Risk Management Program (the Program), regularly establishes claims liabilities based on estimates of the ultimate cost of claims (including future claim adjustment expenses) that have been reported but not settled. The length of time for which such costs must be estimated varies depending on the coverage involved. Estimated amounts of reinsurance recoverable on unpaid claims are deducted from the liability for unpaid claims. Because actual claims costs depend on such complex factors as inflation, changes in doctrines of legal liability, and damage awards, the process used in computing claims liability does not necessarily result in an exact amount, particularly for coverage such as general liability. Claims liabilities are recomputed periodically using a variety of actuarial and statistical techniques to produce current estimates that reflect recent settlements, claims frequency, and other economic and social factors. A provision for inflation in the calculation of estimated future claims costs is implicit in the calculation because reliance is placed both on actual historical data that reflects past inflation and on other factors that are considered to be appropriate modifiers of past experience. Adjustments to claims liabilities are charged or credited to expense in the period in which they are made.